

Union Calendar No. 789

81ST CONGRESS
2D SESSION

H. R. 7824

[Report No. 2162]

IN THE HOUSE OF REPRESENTATIVES

MARCH 23, 1950

Mr. MURRAY of Tennessee introduced the following bill; which was referred to the Committee on Post Office and Civil Service

MAY 29, 1950

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Omit the part struck through and insert the part printed in italic]

A BILL

To provide for the administration of performance-rating plans for certain officers and employees of the Federal Government, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-
2 tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Performance Rating Act
4 of 1950".

5 SEC. 2. (a) For the purposes of this Act, the term
6 "department" includes (1) the executive departments; (2)
7 the independent establishments and agencies in the executive
8 branch, including corporations wholly owned by the United
9 States; (3) the Administrative Office of the United States
10 Courts; (4) the Library of Congress; (5) the Botanic

1 Garden; (6) the Government Printing Office; (7) the
2 General Accounting Office; and (8) the municipal govern-
3 ment of the District of Columbia.

4 (b) This Act shall not apply to the Tennessee Valley
5 Authority, the field service of the Post Office Department,
6 the Department of Medicine and Surgery of the Veterans'
7 Administration, the Foreign Service of the United States
8 under the Department of State, or to employees in the
9 Territories and possessions of the United States.

10 (b) *This Act shall not apply to—*

11 (1) *the Tennessee Valley Authority;*
12 (2) *the field service of the Post Office Department;*
13 (3) *physicians, dentists, nurses, and other employees*
14 *in the Department of Medicine and Surgery in the*
15 *Veterans' Administration whose compensation is fixed*
16 *under Public Law 293, Seventy-ninth Congress, ap-*
17 *proved January 3, 1946;*

18 (4) *the Foreign Service of the United States under*
19 *the Department of State;*

20 (5) *Production credit corporations;*

21 (6) *Federal intermediate credit banks;*

22 (7) *Federal land banks;*

23 (8) *Banks for cooperatives;*

24 (9) *officers and employees of the municipal govern-*
25 *ment of the District of Columbia whose compensation*

1 *is not fixed by the Classification Act of 1949 (Public
2 Law 429, Eighty-first Congress, approved October 28,
3 1949).*

4 SEC. 3. For the purpose of recognizing the merits of
5 officers and employees, and their contributions to efficiency
6 and economy in the Federal service, each department shall
7 establish and use one or more performance-rating plans for
8 evaluating the work performance of such officers and
9 employees.

10 SEC. 4. No officer or employee of any department shall
11 be given a performance rating, regardless of the name given
12 to such rating, and no such rating shall be used as a basis
13 for any action, except under a performance-rating plan
14 approved by the Civil Service Commission as conforming
15 with the requirements of this Act.

16 SEC. 5. Performance-rating plans required by this Act
17 shall be as simple as possible, and each such plan shall
18 provide—

19 (1) that proper performance requirements be made
20 known to all officers and employees;
21 (2) that performance be fairly appraised in rela-
22 lation to such requirements;
23 (3) for the use of appraisals to improve the effec-
24 tiveness of employee performance;

6 SEC. 6. Each performance-rating plan shall provide for
7 ratings representing at least (1) satisfactory performance,
8 corresponding to an efficiency rating of "good" under the
9 Veterans' Preference Act of 1944, as amended, and under
10 laws superseded by this Act; (2) unsatisfactory perform-
11 ance, which shall serve as a basis for removal from the posi-
12 tion in which such unsatisfactory performance was rendered;
13 and (3) excellent performance, which shall be accorded
14 only when all aspects of performance not only exceed normal
15 requirements but are outstanding and deserve special com-
16 mendation. No officer or employee shall be rated unsatis-
17 factory without a ninety-day prior warning and a reasonable
18 opportunity to demonstrate satisfactory performance.

19 SEC. 7. (a) Upon the request of any officer or em-
20 ployee of a department, such department shall provide one
21 impartial review of the performance rating of such officer
22 or employee.

23 (b) There shall be established in each department one
24 or more boards of review for the purpose of considering and
25 passing upon the merits of performance ratings under rating

1 plans established under this Act. Each board of review
2 shall be composed of three members. One member shall be
3 designated by the head of the department. One member
4 shall be designated by the officers and employees of the
5 department in such manner as may be provided by the
6 Civil Service Commission. One member, who shall serve
7 as chairman, shall be designated by the Civil Service Com-
8 mission. Alternate members shall be designated in the
9 same manner as their respective principal members.

10 (c) In addition to the performance-rating appeal pro-
11 vided in subsection (a), any officer or employee with a
12 current performance rating of less than excellent, upon writ-
13 ten appeal to the chairman of the appropriate board of
14 review established under subsection (b), shall be entitled,
15 as a matter of right, to a hearing and decision on the merits
16 of the appealed rating.

17 (d) At such hearing the appellant, or his designated
18 representative, and representatives of the department shall
19 be afforded an opportunity to submit pertinent information
20 orally or in writing, and to hear or examine, and reply to,
21 information submitted by others. After such hearing, the
22 board of review shall confirm the appealed rating or make
23 such change as it deems to be proper.

24 SEC. 8. (a) The Civil Service Commission is authorized

H. R. 7824—2

1 to issue such regulations as may be necessary for the administration
2 of this Act.

3 (b) The Commission shall inspect the administration
4 of performance-rating plans by each department to determine
5 compliance with the requirements of this Act and
6 regulations issued thereunder.

7 (c) Whenever the Commission shall determine that a
8 performance-rating plan is not being administered in compliance with
9 the requirements of this Act and the regulations issued thereunder, the Commission may, after
10 notice to the department, giving the reasons, revoke its
11 approval of such plan.

13 (d) After such revocation, such performance-rating
14 plan and any current ratings thereunder shall become inoperative, and the department shall thereupon use a performance-rating plan prescribed by the Commission.

17 SEC. 9. (a) Section 701 of the Classification Act of
18 1949 (Public Law 429, Eighty-first Congress, approved
19 October 28, 1949) is hereby amended to read as follows.

20 "SEC. 701. Each officer or employee compensated on
21 a per annum basis, and occupying a permanent position
22 within the scope of the compensation schedules fixed by
23 this Act, who has not attained the maximum scheduled rate
24 of compensation for the grade in which his position is placed,

1 shall be advanced in compensation successively to the next
2 higher rate within the grade at the beginning of the next
3 pay period following the completion of (1) each fifty-two
4 calendar weeks of service if his position is in a grade in
5 which the step-increases are less than \$200, or (2) each
6 seventy-eight calendar weeks of service if his position is
7 in a grade in which the step-increases are \$200 or more,
8 subject to the following conditions:

9 “(A) That no equivalent increase in compensation
10 from any cause was received during such period, except
11 increase made pursuant to section 702 or 1002;

12 “(B) That he has a current performance rating of
13 ‘Satisfactory’ or better; and

14 “(C) That the benefit of successive step-increases
15 shall be preserved, under regulations issued by the Com-
16 mission for officers and employees whose continuous
17 service is interrupted in the public interest by service
18 with the armed forces or by service in essential non-
19 Government civilian employment during a period of war
20 or national emergency.”

21 (b) Section 702 (a) of such Act is amended by striking
22 out “section 701 (a)” and inserting in lieu thereof “section
23 701”.

24 SEC. 10. Section 703 (b) (2) of title VII of the

1 Classification Act of 1949 (Public Law 429, Eighty-first
2 Congress, approved October 28, 1949) is hereby amended
3 to read:

4 "(2) No officer or employee shall receive a longevity
5 step-increase unless his current performance rating is 'satis-
6 factory' or better."

7 SEC. 11. The following Acts or parts of Acts are hereby
8 repealed:

9 (1) Section 4 of the Act of August 23, 1912 (37 Stat.
10 413);

11 (2) The Act of July 31, 1946 (60 Stat. 751; 5
12 U. S. C. 669a);

13 (3) Title IX of the Classification Act of 1949 (Public
14 Law 429, Eighty-first Congress).

15 SEC. 12. This Act shall take effect ninety days after the
16 date of its enactment.

17 SEC. 13. There are hereby authorized to be appropriated
18 such sums as may be necessary to carry out the provisions
19 of this Act.

20 SEC. 14. All laws or parts of laws inconsistent herewith
21 are hereby repealed to the extent of such inconsistency.

Union Calendar No. 789

81st CONGRESS
2d SESSION

H. R. 7824

[Report No. 2162]

A BILL

To provide for the administration of performance-rating plans for certain officers and employees of the Federal Government, and for other purposes.

By Mr. MURRAY of Tennessee

MARCH 23, 1950

Referred to the Committee on Post Office and Civil Service

MAY 29, 1950

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed